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Jailed Ex-Agent Takes To TV to Face Creditors

Wilson Testifies on \$13 Million Assets

By Michael Specter
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Edwin P. Wilson, a former CIA agent now serving a 52-year federal prison sentence for attempted murder and gunrunning, faced his creditors after a fashion at an Alexandria bankruptcy hearing yesterday, where assets he values at more than \$13 million may be divided.

Wilson, who filed for bankruptcy last year in order to stop an auction of his Virginia land, appeared via satellite on two wide-screen Sony video monitors from his maximum-security prison cell in Marion, Ill.

By far the largest creditor in the case, now in U.S. Bankruptcy Court for the Eastern District of Virginia, is the Internal Revenue Service, which has placed a \$23.8 million lien against Wilson's assets. Most of Wilson's other creditors are lawyers, but there is no precise total of their claims.

Wilson was convicted of attempted murder, gunrunning and smuggling 20 tons of high explosives into Libya in the late 1970s. In 1971, the CIA fired him. His lawyers reminded him yesterday not to discuss anything that could be considered classified.

Wilson gave two hours of testimony in a subdued voice as spectators alternated between watching him speak and examining color brochures on some of the land he owns.

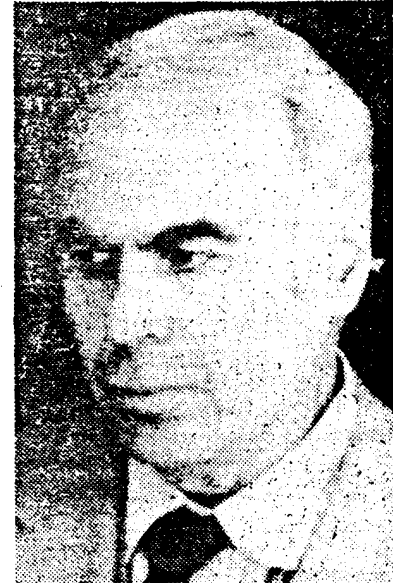
The 707-acre Bollingbrook Estate, for example, is in the heart of the Virginia hunt country in Upperville. As bankruptcy trustee John W. Guinee Jr., led Wilson through a description of his complicated finances, creditors looked at pictures of the stately manor with its gleaming Baccarat chandelier in the dining room.

The hearing in Alexandria was the first public discussion of Wilson's finances since his case was transferred to Virginia from New Jersey on Oct. 31. There are likely to be many more hearings before anyone gets any of the money they claim Wilson owes them, according to lawyers for both sides.

Guinee's job is to make sense of the maze of Wilson's assets and financial holdings around the world. Yesterday's exploratory discussion touched on property and business dealings in Libya, Israel, Iran, Egypt, England, Mexico, Switzerland and Lebanon.

At one point, Guinee asked Wilson why he failed to list property he owned in Lebanon as an asset.

"Well, I'm pretty sure the Israelis reduced it to rubble," Wilson said. "So, I don't think there's anything to talk about there." He testified that among his uncollected assets was almost \$1 million owed him by the Libyan government for selling military uniforms.



EDWIN P. WILSON
... largest creditor is IRS

"This case could drag on for years," said Stephen E. Leach, an attorney who advises the trustee on legal matters. "There has to be some kind of settlement. If we get into litigation with the IRS, two years would be the best we could hope for."

One of Guinee's toughest chores will be to reach an independent assessment of the value of Wilson's property. In addition to land in Virginia he owns a town house in Washington and other property.

Wilson appeared dismayed when he was told that the bankruptcy court has made a preliminary decision to sell some of his Virginia property at auction without dividing the land. He said that the property would be much more valuable divided than sold in single parcels.

The hearings will continue next week.